

**MINUTES  
EAGAR TOWN COUNCIL  
WORK SESSION  
22 W. 2<sup>nd</sup> Street, Eagar, AZ  
February 1, 2011 - 6:00 P.M.**

Mayor Kim Holaway called the meeting to order and welcomed those present. Mayor Holaway said to let the record show that all Council Members were present.

COUNCIL PRESENT:      Kim Holaway, Mayor  
                                 James Nelson, Jr., Vice-Mayor  
                                 Byron Smith  
                                 Gary Finch  
                                 Steve Erhart  
                                 Debbie Rogers  
                                 Tim Rasmussen

STAFF PRESENT:        Bill Greenwood, Town Manager  
                                 Bruce Ray, Community Development Director  
                                 Eva Wilson, Town Clerk  
                                 Katie Wood, Finance Administrator  
                                 Howard Carlson, Fire Chief  
                                 Mike Hogan, Police Chief  
                                 Elwin Browning, Public Works Administrator

**ITEM #3: NEW BUSINESS**

**A. PRESENTATION OF THE ANNUAL ECONOMIC REPORT FOR THE WHITE MOUNTAIN STEWARDSHIP**

Town Manager Bill Greenwood reported on the first five years of a ten-year contract of the White Mountain Stewardship Project (WMSP). The purpose of the WMSP was to reduce unnatural fire risk and to grow private-sector wood industry and jobs.

The WMSP required the activation of a multi-party monitoring board with representatives from government, businesses, conservation organizations, wood product association, and local citizens. There are 12-15 board members and Councilor Steve Erhart currently sits on the board for the Town. The monitoring board follows the progress and provides reports regarding the economic, administrative, social, ecological, and forest diversity impacts of the WMSP.

Through October 2010, 46,000 acres have been treated. The contract has cost \$30 million over the first five years and the economic benefit to the region in the first five years has been \$70 million and taxes generated average \$678,238 per year.

The treatment encompasses small diameter timber. Trees that are five through twelve inches in diameter consist of 55% of the treatment process. Trees greater than twelve inches are 4%,

and the residue is 41%. Primary products are used for pellets, moulding, animal bedding, soil mulch, posts/poles, and pallets. There is a pallet mill operating at the old sawmill and Nicoll's are providing round guardrail posts to Maricopa County, with the State considering using the posts.

There is an average of 319 jobs (226 direct, 93 indirect) created with the WMSP. Twenty businesses purchase the fiber with approximately \$13.3 million in local business expenditures annually. Annual taxes generated by the WMSP are on average \$678,238. Approximately \$14,000,000 is invested in the region annually.

Forbs and grass have increased, as well as water to the watershed with the WMSP treatment. The WMSP has designed the treatment area cuts in a clumpy or grouped structure with a break up of the canopy that most resembles historic conditions which provides for forest diversity, wildlife habitat, and even fire behavior. The Eagar South Restoration was a success to the Goshawk and squirrel habitat.

Mr. Greenwood presented a table that showed where the jobs are from the WMSP. In 2009 Springerville and Eagar residents made up 51.85 percent of full-time employees working in the White Mountain Region and employed by firms with Future Forest (administers the WMSP) connection.

The current Forest Service administration is not as enthusiastic about the WMSP as the former administration and the WMSP is set to end in less than five years. The monitoring board is involved with the proposed Four-Forests Restoration Initiative that would involve the four regional forests for similar treatments and would provide a larger industry potential.

**B. PRESENTATION ON HOW TO ESTABLISH A FOUNDATION BY EDDIE BROWNING, EXECUTIVE DIRECTOR, FROM THE ARIZONA RURAL DEVELOPMENT COUNCIL**

Eddie Browning explained how "hometown competitiveness" captures the power of a hometown that focus on the youth, leadership, entrepreneurship, and community philanthropy. The idea is to form committees around these pillars of the community and find ways to work together, success is then inevitable.

Community philanthropy works by the community working together as small towns do for their citizens, fundraisers for sick citizens, fundraisers for scholarships, etc. Mr. Browning suggests holding a fundraiser for your community. Fundraisers are one way to start a foundation or through a transfer of wealth (may be long time citizens that want to give back to their community and leaves a portion of their estate to the foundation.) Foundations are a great way to fund special interest projects, such as an animal shelter, recreational facilities, or youth programs.

A foundation is a long-term investment for the community. It takes a significant amount of money, a million dollars, to start a foundation. The money placed in a foundation is never

touched and all funds used are purely interest. A foundation is a transfer of wealth through generations.

Even if the Town cannot fund a full-fledged foundation, utilization of foundations such as the Arizona Community Foundation can administered project funds through their investment pools, and the community draws off the interest for projects.

Through working with foundations Mr. Browning advised the Council that the Arizona Rural Development Council is sponsoring a conference August 10, 11, and 12, 2011 that will link rural Arizona communities with grant makers. Mr. Browning will keep Mr. Greenwood informed on the details of the conference in case anyone from the Town is interested in attending the conference or any upcoming regional conferences.

**C. DISCUSSION TO GIVE COUNCIL MEMBERS DISCRETION TO ACCEPT, OR USE THEIR MONTHLY STIPEND FOR OTHER EXPENDITURES**

Mayor Kim Holaway announced that there is not sufficient time to discuss this item in the work session, and because a similar item is on the regular agenda for consideration, this item will not be heard in the work session.

**ITEM #4: ADJOURNMENT**

Councilor Steve Erhart moved to adjourn the work session at 6:50 p.m. Seconded by Councilor Debbie Rogers; all were in favor and the meeting adjourned.

Attest: \_\_\_\_\_

Mayor: \_\_\_\_\_

Vice-mayor: \_\_\_\_\_

Council: \_\_\_\_\_

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**CERTIFICATION OF COUNCIL MINUTES**

I hereby certify that the foregoing minutes are true and correct copy of the minutes of the work session of the Town of Eagar, Arizona held on February 1, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

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Eva M. Wilson, Town Clerk